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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

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In re:

NAARTJIE CUSTOM KIDS, INC.,

Debtor.

Bankr. Case No. 14-29666

Chapter 11

The Honorable William T. Thurman

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**NOTICE OF CANCELLATION OF AUCTION FOR ZA ONE'S ASSETS AND  
DEBTOR'S INTELLECTUAL PROPERTY AND E-COMMERCE BUSINESS**

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On November 4, 2014 the Court entered its *Order Granting Debtor's Motion for Order (A) Authorizing Bidding Procedures and Auction, (B) Authorizing Debtor to Provide Bid Protections to Stalking Horse, (C) Scheduling Sale Hearing and Approving Notice Thereof, and (D) Granting Related Relief* [Docket No. 228] (the "Order"), which among other things approved the Bidding Procedures attached to the Order as Exhibit A,<sup>1</sup> which established procedures to govern the sale at auction of all of the Debtor's interests in ZA One (Pty) Ltd. ("ZA One"), and

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<sup>1</sup> Capitalized terms used herein but not defined shall have the meanings ascribed to them in the Bidding Procedures.

(ii) all of the Debtor's intellectual property assets including various trademarks, copyrights, domain names, customer lists, and related data including the right to acquire the Debtor's e-commerce platform after January 15, 2015, and related assets (the "Intellectual Property" and together with the Debtor's interests in ZA One, the "Assets").

Under the Bidding Procedures, prospective bidders were given until **4:00 p.m. prevailing Mountain Time on November 21, 2014** (the "Bid Deadline") to be designated as a Qualified Bidder and to submit a Competing Bid for the Assets. Following the expiration of the Bid Deadline, the Debtor, after consultation with and receiving approval of the Committee, has determined that only one bidder is deemed a Qualified Bidder – Truworhs Limited ("Truworhs"). The Debtor, after consultation with and receiving approval of the Committee, has selected Truworhs as the Stalking Horse, and in the absence of other Qualified Bidders has decided to cancel the Auction.

Accordingly, the Debtor will seek approval of the "Asset Purchase Agreement" by and between the Debtor and Truworhs Limited, which is attached as Exhibit A to the Debtor's *Notice of Selection of Stalking Horse Agreements* [Docket No. 259] (the "Stalking Horse Selection Notice"), and the "Sale of Business Agreement" by and between ZA One (Proprietary) Limited and Truworhs Limited, which is attached as Exhibit B to the Stalking Horse Selection Notice, at the Sale Hearing on **November 25, 2014 at 2:00 p.m.**

DATED this 22nd day of November, 2014.

**DORSEY & WHITNEY LLP**

/s/ Annette W. Jarvis

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Jeffrey M. Armington

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Inc.*